



## CITY MANAGER'S BUDGET MESSAGE

To the Honorable Mayor and Members of the City Council,

It is my pleasure to present to the residents of the City of Burbank the adopted, balanced budget for Fiscal Year (FY) 2008-2009. After a comprehensive budget preparation process which included several public budget study sessions in addition to the annual budget public hearing, this year's budget ultimately reflects the City's continuing commitment to providing outstanding municipal services and programs. This budget totals \$731.6 million for all funds with the General Fund appropriations totaling \$146.8 million.

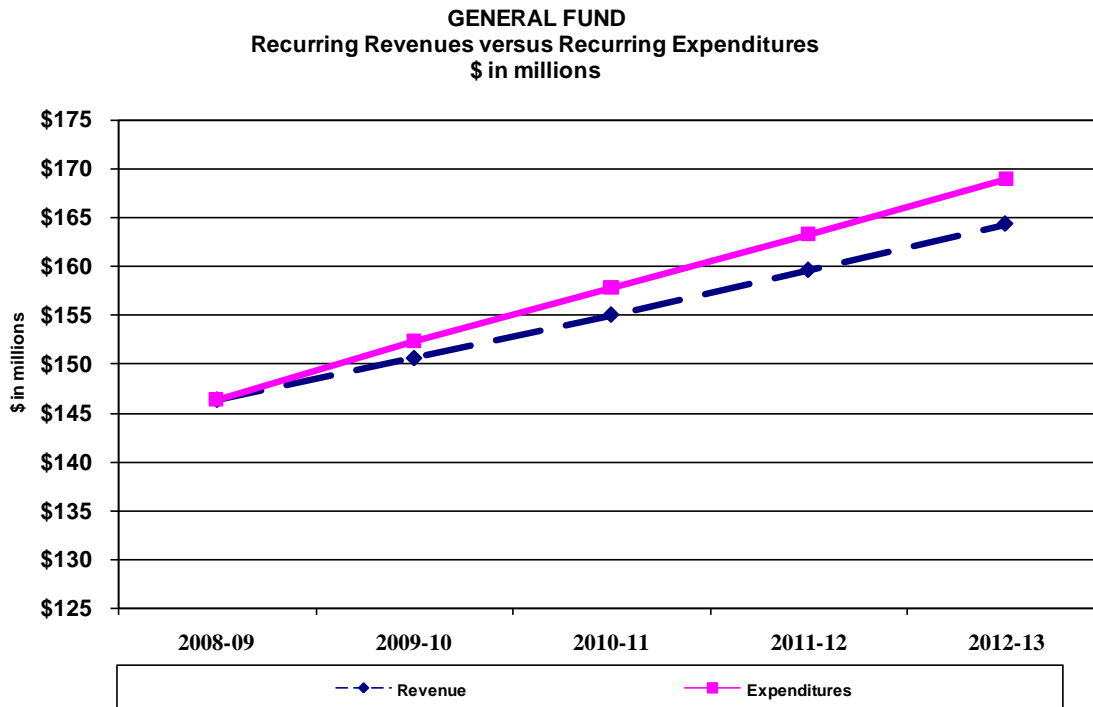
This year's budget was developed amid economic uncertainty including the collapse of the subprime mortgage sector, dramatically rising oil and gas prices, downgrading of bond insurers, lowering property values, and general declines in retail sales. These considerations led City staff to approach the FY 2008-09 budget conservatively. The proposed budget was prepared to maintain current levels of service, with enhancements coming only as a result of previous City Council approvals and other mandates. As a result of this approach, there were funds available for the City Council to address additional priorities for the City while allocating over \$350,000 to the Budget Stabilization Fund. Among the priorities that the City Council addressed is the restoration of six previously "frozen" positions. This included two police officers, three fire fighters, and one tree trimmer. In addition, the City Council authorized the addition of staff to adequately maintain and program the new Robert R. "Bud" Ovrom Park.

The following chart illustrates the source of funds and appropriations for each fund or fund type for the FY 2008-09 Budget:

FUND/FUND GROUP	PROPOSED RESOURCES	PROPOSED APPROPRIATIONS
General Fund	\$ 146,797,312	\$ 146,797,312
Special Revenue Funds (incl. Cap. Projects Fund)	26,226,057	17,978,842
Internal Services Funds	35,507,881	34,492,332
Water Reclamation & Sewer	26,875,936	26,875,936
Golf Fund	2,288,182	1,862,672
Water and Electric (BWP)	407,812,738	407,812,738
Refuse Collection and Disposal	14,565,994	14,565,994
Redevelopment Agency	76,523,165	65,586,168
Public Financing Authority	6,478,864	6,478,864
Housing Authority	8,519,549	8,151,777
Parking Authority	1,080,171	996,111
<b>TOTAL ALL FUNDS</b>	<b>\$ 752,675,849</b>	<b>\$ 731,598,746</b>

## **BUDGET DEVELOPMENT PROCESS**

At the beginning of the budget process in January, the City was facing a recurring budget deficit position over the next several years, beginning in FY 2009-10 due to expected increases in its recurring costs, especially related to negotiated salaries and benefits. As a result of this, along with the uncertain economic horizon, departments were instructed to prepare budgets with no increases unless they were revenue offset, required to meet a state mandate, anticipated by prior City Council action or otherwise necessary for public safety. However, no reductions were requested of departments for the second straight year. The graph below illustrates the City's ongoing challenge of keeping recurring revenue in line with projected expenditures.



The budget was developed under the following parameters set forth by the City Manager's Office.

### *New Positions/Upgrades:*

Similar to the last few years, no new positions or upgrades were accepted unless they were anticipated by prior City Council action, revenue offset, state or federal mandated or required to prevent serious detrimental impacts on City operations or public safety. The City Council approved requests to "unfreeze" six positions that were previously unfunded due to the City's difficult fiscal position a few years ago. The unfrozen positions are two police officers, three fire fighters, and one tree trimmer. Additional positions added in this budget include two part-time veterinarians, a senior tree trimmer, field and recreation positions to maintain and staff Ovrom Park, an Administrative Analyst, and a custodian to maintain the new Community Services Building.

### *Materials, Supplies & Services (MS&S):*

Increases in MS&S for any General Fund departments were by exception only. Any exceptions were to be beyond the department's control, anticipated by prior City Council

action, mandated costs by higher levels of government, or increased costs for existing services. Some of these exceptions include funding for recreation programming at Ovrom Park, security measures at City Hall, increased fuel costs for helicopter operation, maintenance of new streetscapes, and testing materials for fire fighter recruitment.

*Capital Outlay:*

Capital Outlays were to be by exception only and should be offset by revenue or cost reductions wherever possible. Approved capital outlay items include bullet proof vests for fire fighters, a replacement bulldozer for refuse disposal, a computerized traffic sign plotter for Public Works, and an e-procurement system for purchasing.

**GENERAL FUND REVENUE**

Estimated General Fund revenues are estimated to reach \$146 million for FY 2008-09. Most revenue categories are expected to grow or remain constant based on trend analysis of prior year's actual receipts. Exceptions to this are building permit fees and interest revenue due to reduced development activity and low interest rates. Overall, the financial prospects for revenue receipts are somewhat guarded but positive. The revenue growth assumed the following notable revenue sources:

*Sales Tax* – Sales Tax revenues are the City's largest revenue source. FY 2008-09 sales tax revenue is forecast to grow by 4.1% over the FY 2007-08 estimate. A significant portion of this growth is due to the change in allocation of sales tax on jet fuel that, as of January 1, 2008 allocates the tax to the jurisdiction in which the "wing tip" is located.

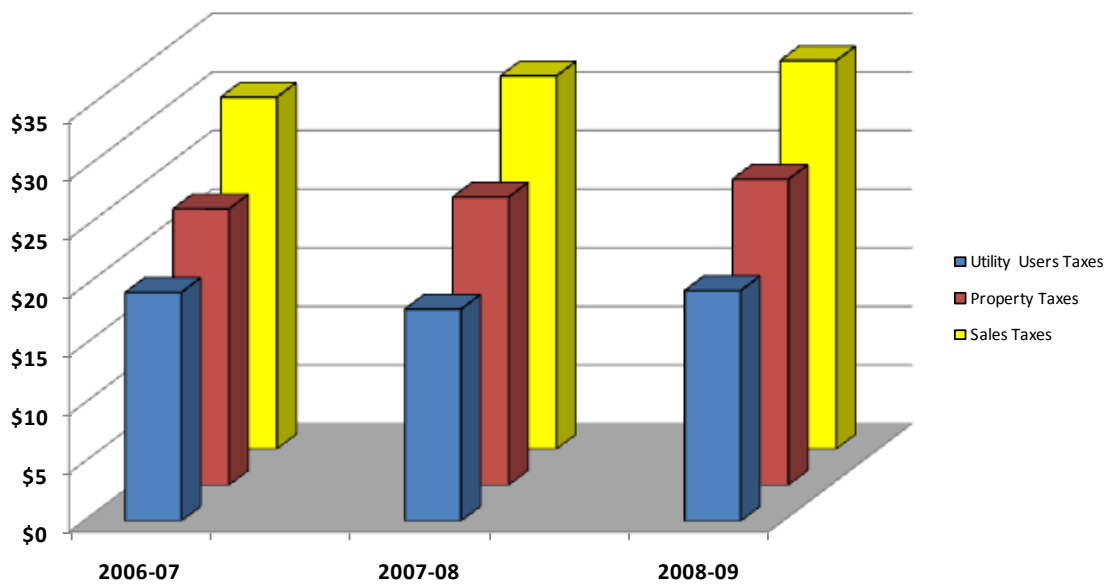
*Property Taxes* – The City's Property Tax revenue is projected to increase by 5% over FY 2007-08. The real estate market remains volatile, but while Prop. 13 provides for slow growth of assessed values, it also provides for a soft landing in difficult real estate markets, thereby preserving this revenue for next year.

*Utility Users Tax (UUT)* –UUT revenue is expected to increase by 8.8% over FY 2007-08. This is due to the continued growth of telecommunications, increasing energy costs, and aggressive collections efforts.

*Burbank Water & Power (BWP) In Lieu Taxes* - Instead of paying a franchise tax, the utility pays an in-lieu of tax on electric and water sales. As a result of the approved electric increase that became effective in January 2008, and a water rate increase of 8.5% this revenue category is expected to increase by 8.6% over the prior year.

*Transient Occupancy Tax (TOT)* - TOT revenue continues to remain a steady source of General Fund revenue. This revenue category is expected to increase by nearly \$450,000 or 8.3% for FY 2008-09.

The following chart highlights the top three revenue sources for General Fund dollars: Sales Tax, Property Tax and Utility Users Tax.



In addition to the recurring revenue noted above, the City has used available, non-recurring resources such as end of year budget savings to fund one-time expenditures and \$18,999 to balance the recurring expenditures in the City's budget. This year, approximately \$750,000 of these undesignated funds was used for General Fund purposes. Additional use of reserves was also approved for use in the City's General Capital Projects Fund (Fund 370) for various infrastructure projects.

### **GENERAL FUND APPROPRIATIONS**

This year's adopted City of Burbank recurring appropriations amount is \$146.8 million. General Fund appropriations are mainly driven by labor costs. In fact, approximately 78.7% of this year's General Fund budget is related to negotiated salaries and benefits.

#### *Memorandum of Understanding (MOU) Projected Costs:*

In FY 2006-7, The City and Burbank Fire Fighters entered into a three year MOU, in FY 2007-08 the City and the Burbank Police Officers Association entered into a two year agreement. These multi-year agreements allow the City to more accurately predict the salary and benefits costs for the next fiscal year. Only the Burbank City Employees Association (BCEA) and the Burbank Management Association had MOUs that expired on June 30, 2008 and have not yet agreed to terms on an MOU for the coming year(s).

#### *Public Employees Retirement System (PERS) Costs:*

The City is a member of the Public Employee Retirement System (PERS). The current retirement formulas for Burbank fall into three categories: Police Safety (3% @ 50), Fire Safety (3% @ 55) and Miscellaneous Members (2.5% @ 55). Below are the actual rates by employee category for FY 2007-08 and 2008-09, and estimated rates for the two public safety categories for FY 2009-10. Because of the recent change to the enhanced retirement for miscellaneous employees, the City has not received estimated rates for FY 2009-10 for miscellaneous employees.

	<u><b>2007-08</b></u>	<u><b>2008-09</b></u>	<u><b>2009-10</b></u>
Police	18.851%	20.956%	20.100%
Fire	13.059%	13.559%	12.700%
Misc	9.339%	11.528%	TBD

It should be noted that the City's decision to delay initial implementation of the enhanced retirement for miscellaneous employees and the requirement that the employees and City split the cost for pre-funding this benefit for three years has significantly mitigated the immediate budgetary impact of this benefit.

#### **INTERNAL SERVICE FUNDS (ISF)**

These funds are used to accumulate money to ensure adequate maintenance and replacement of a variety of durable capital goods, or to provide various internal services to other departments. Currently, there are seven Internal Services Funds which are administered by various departments in the City. The General Fund's allocation of the General Liability Fund remained the same for FY 2008-09 as it was in FY 2007-08. The Workers' Compensation budget increased just slightly by about \$6,000 over FY 2007-08. Rates from the Office Equipment Replacement Fund increased by about \$86,000 due mostly to increased depreciation costs. The General Fund's portion of the Communications Equipment Fund remained the same as for FY 2007-08. The Vehicle Equipment Fund increased \$65,000 due mainly to higher fuel costs. The Computer Equipment Fund increased by nearly \$105,000 due to various increases in equipment costs.

#### **SPECIAL REVENUE FUNDS**

As part of the continued effort to maintain and improve its infrastructure as well as continue a range of programs, the City has several Special Revenue Funds which are administered by various departments. These funds receive dedicated revenues that can only be used for specific purposes, such as grant revenue for Community Development Block Grant (CDBG) or Housing.

The following highlights some of the special revenue funds which have new appropriations for FY 2008-09.

##### *Fund 105 (Proposition C Transportation Fund)*

Proposition C funds, along with Proposition A funds and other funding, support the City's transit program. This budget provides for an increase of \$467,000 in private contractual services to cover the cost of the new contract for operation of the BurbankBus including full maintenance of all vehicles.

##### *Fund 122 (Community Development Block Grant):*

Community Development Block Grant (CDBG) monies go to fund both public service projects as well as capital projects designed to benefit persons of low to moderate income. For FY 2008-09, there is Public Service Funding totaling \$195,434 for local non-profit groups including the Salvation Army Assistance for Homeless/Emergency Services, Burbank Family Service Agency Counseling Programs and Community Day School, B.U.I.L.D. Rehabilitation Disabled Job Training, Burbank Temporary Aid Center Assistance for Needy and Homeless, B.U.S.D. Summer Youth Employment, YMCA Childcare Program, Boys and Girls Club Enrichment Program, Burbank Center for the Retarded Disabled Programs for Adults and Children, Library Department Literacy Program, Fair Housing Council, Burbank Noon Lions Ear/Eye Care Programs, Armenian

Relief Society Social Services, and Kids Community Dental Clinic Dental Services. In addition, there is Capital Project funding totaling \$846,884 that will assist in funding code enforcement and various public works projects.

*Fund 127 (Development Impact Fees):*

The City Council allocated \$350,000 for the Izay Park restroom renovation project, and \$220,000 for I-5 and SR-134 Congestion Management Plan projects. Approximately \$80,000 was budgeted for the new Traffic Management Center and an additional funding of \$50,000 was appropriated for the San Fernando Connector/Empire Interchange Project. The transportation projects are designed to mitigate traffic and relieve congestion to accommodate new growth in the City. The park project is designed to enhance the ability of residents to enjoy use of Izay Park.

*Fund 128 (HUD Home Program):*

A total of \$783,214 was appropriated in this year's HOME fund for Focus Neighborhoods to improve substandard housing in the City.

*Fund 129 (Street Lighting):*

This Fund provides for citywide street lighting maintenance through the use of 1¼% electric Utility Users Tax revenues. Approximately \$2.4 million was appropriated this year for street light improvements and maintenance.

## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The City of Burbank currently has five Enterprise Funds: Electric, Water, Golf, Water Reclamation & Sewer, and Refuse. Each fund must ensure that its revenues cover operating expenses, including depreciation, of providing goods and services to users/customers. Revenues may be comprised of service charges/fees/sales, interest and other income. The Water, Water Reclamation & Sewer, and Refuse funds all required increases for FY 2008-09, due to increases in costs. In the cases of the sewer and refuse funds, these increases are in accordance with multi-year rate plans approved by the City Council in prior years.

*Water Reclamation and Sewer Fund:* The Public Works Department administers this Fund and its main objective is to operate and maintain the City's Water Reclamation Plant and Industrial Waste Monitoring in compliance with federal, state and local regulations. The Water Reclamation & Sewer Fund's proposed budget reflects an overall sewer rate increase of 6%. The cost of sewage treatment and disposal has risen due to new regulatory requirements, which affects Burbank through discharge costs to the City of Los Angeles. This places the City in the third year of a five-year rate smoothing plan to increase rates 6%, 6%, 6%, 5%, 5% over the five years of the plan.

*Refuse Collection and Disposal Fund:* This Fund is also administered by the Public Works Department. This Fund consists of three programs: Refuse Collection, Refuse Disposal and Recycling. One of the main goals of the Fund is to maintain refuse collection, disposal and recycling fees at a level sufficient to fund operating costs and future capital improvements, while continuing to keep the rates as low as possible to customers. The City Council authorized an 8 percent rate increase for FY 2008-09. During the FY 2007-08 budget deliberations the City Council approved a five year rate smoothing plan to increase refuse rates 8% per year to ensure the continued economic viability of the City's refuse collection, disposal and recycling operations. The increase is needed to meet rising fuel and operational costs in order to continue providing

comprehensive refuse services that include household trash disposal, green waste recycling, recyclable collection and processing, and unlimited bulky item pick-up.

*Golf Fund:* This Fund, administered by the Park, Recreation and Community Services Department, provides sufficient funding to maintain and operate an 18-hole course, a 9-hole par 3 course, a driving range, and a clubhouse. The construction of a new clubhouse for the Golf Course is expected to be completed this fiscal year.

*Electric Fund:* Burbank Water and Power (BWP) administers this fund. The Electric Fund's budget highlights include: modernization of the electric distribution systems including the interconnection of the replacement Burbank Station, the upgrading of the 34.5 kV network, and the continued conversion to 12kV; the development of a utility Ethernet and wireless network to implement Intelligence Infrastructure; and completion of the BWP Administration Building LEED certification.,

The BWP Electric Fund's FY 2008-09 Budget has a total of \$46 million in overall appropriations, leaving an operating income of \$12.4 million. The FY 2008-09 CIP budget for the Electric Fund is approximately \$49 million.

*Water Fund:* BWP also administers this fund. The highlights of the Water Fund for FY 2008-09 include: develop and implement water conservation, begin implementation of the recycled water master plan, and develop water fund sustainability policies for City Council consideration, and continue water system improvements. The City Council approved an 8.5 percent increase for FY 2008-09 which represents an increase of approximately \$3.38 to the average residential customer. The increase is necessary because of water supply issues and water cost escalation beyond the City's control.

The Water Budget includes total appropriations of \$33.5 million, leaving an operating income of \$850,000. The Water Fund CIP Budget for FY 2008-09 totals \$4.4 million.

### **REDEVELOPMENT AGENCY**

The Redevelopment Agency continues its principal aim at rehabilitating and revitalizing blighted and deteriorated areas via various methods of Redevelopment Agency participation. Removal of blight, creation and retention of jobs, infrastructure improvements, and preservation of affordable housing remain the four primary areas of focus for the Agency.

#### *Golden State Redevelopment Project Area:*

The Golden State Project Area continues to evolve from industrial land use and intensity to more office and media related uses, as seen with the phased development of the Media Studios North Project. The Agency continues to support the evolution of this project area including the renovation of the Airport Marriott Hotel and Convention Center.

#### *City Centre Redevelopment Project Area:*

The City Centre Redevelopment Project Area continues to be a major focus of redevelopment activity with new construction and the implementation of various programs and projects to revitalize Downtown. The 118-unit mixed-use Collection Project (Phase II of the Burbank Entertainment Village Project) is currently under construction with a projected completion date of September 2008. The Agency continues to seek opportunities to facilitate the future development of Opportunity Sites 5 and 6B.



*South San Fernando Redevelopment Project Area:*

The South San Fernando Redevelopment Project Area will continue to grow and develop, facilitated by the completion of the South San Fernando Streetscape Project and San Fernando Walk. Although not assisted by the Agency, relatively new businesses in the area include Home Depot and CarMax, both of which recycled contaminated property for retail use. Currently, the City oversees the construction of the Robert Ovrom Park.

*West Olive Redevelopment Project Area:*

Within the West Olive Redevelopment Project Area, the Media District Specific Plan has established the framework for development and infrastructure improvements. The focus of this Redevelopment Project Area has been to help implement transportation improvements such as the State Route 134 Ramp Project.

*Low and Moderate Income Housing:*

The Low and Moderate Income Housing Fund provides funding for the Agency's Affordable Housing Program. The Program implements the activities recommended by the Blue Ribbon Task Force on Affordable Housing, such as the continuation of the Residential Rehabilitation Program; land assemblage for mixed-use and in-fill development; and working to identify strategically located distressed residential properties for acquisition and rehabilitation.

**HOUSING AUTHORITY**

The City's Housing Authority is funded by the United States Department of Housing and Urban Development (HUD), and the use of funds is pursuant to federal government regulations. The Housing Authority will continue to concentrate on expanding housing opportunities for very low-income housing families, avoiding concentrations of assisted housing, and using existing housing stock as affordable housing. This year, over \$6.6 million has been budgeted for housing assistance payments.

**PARKING AUTHORITY**

The Parking Authority Capital Projects Fund provides for the acquisition, construction, maintenance, and operation of all City-owned or operated public parking facilities within the City of Burbank. Revenue sources include monthly parking permit fees, lease fees, the Downtown Public Facility Maintenance District levy, and various public-private parking agreements within the downtown area. The FY 2008-09 budget anticipates The Collection public parking facilities to come online and for increased activity in the Magnolia Park area to increase costs.

**STATE BUDGET IMPLICATIONS FOR FY 2008-08 BUDGET**

The State of California is facing a \$15.2 billion deficit in FY 2008-09. Negotiations on a budget deal have been difficult and passage of a budget is very much uncertain at this time. Given the fluidity of the budget negotiations the impact on the City's finances are unknown. However, because of the overwhelming passage of Proposition 1A in 2004, the City is less likely to face permanent loss of General Funds as a result of the State's financial difficulties. Prop 1A protects key City funds from a "grab" by the State, though it does allow for borrowing a limited amount of these funds, but requires that they be repaid within three years and that interest be paid on these funds. One proposal that has been floated is to take redevelopment revenues for a three year period, with no repayment or other compensation to the redevelopment agencies.



Staff will continue to monitor any subsequent State budget legislation, and oppose and/or support budget legislation as appropriate that affects Burbank.

### **CAPITAL IMPROVEMENT PROJECTS**

Although the CIP budget document is developed in conjunction with the operating budget, it is submitted separately in order to provide more detailed information for each of the approximately 212 capital projects taking place within the City of Burbank. The document itself is a cooperative effort between Budget staff and other City staff responsible for their respective projects. Major capital improvements can often be complex projects requiring several years of strategic planning, design, funding, and ultimately, construction. The CIP is a five-year program designed to tie the planning of capital improvements to realistic, reliable funding sources to ensure that both planning and implementation of such projects are responsive to available resources. This document includes general Capital Improvement Program information and overview; summaries of projects by category, fund, and total; and funding sources by project category. In addition, it provides an information sheet for each capital project listed within each program category.

Of the City's total budget for FY 2008-09, 8.6 percent is appropriated for Capital Improvements. The multi-year Capital Improvement Program totals \$341.6 million, including FY 2008-09 appropriations of \$64.7 million and prior years' appropriations of \$238.6 million.

### **CITYWIDE DEVELOPMENT HIGHLIGHTS**

As always, there are numerous City projects and activities occurring throughout the year. The following highlights a few of the more significant projects that have been completed or are underway throughout the City.

In the downtown area, the Community Services Building (CSB) was completed in June 2008. The building provides 72,000 square feet of space for City departments (Parks, Recreation and Community Services, Community Development, Public Works and the Public Information Office) to serve the community. "The Collection," an \$80 million multi-use development is nearing completion with 188 residential units, 40,000 square feet of retail and restaurant space, and 700 parking spaces.

In other areas of the City, a 14-story office project named the "The Pointe" commenced construction on Alameda Boulevard near NBC studios. Adding to Empire Center is a 364,000 square foot, 7-story, LEED certified office building which commenced construction. A 43-unit multi-family project on Scott Road also began construction this past fiscal year. Construction began on the new Clubhouse at DeBell Golf Course this past year and is planned for completion in FY 2008-09. The beautification projects along Burbank Boulevard and South San Fernando Boulevard were completed and enhanced the appeal of the area. Finally, construction was started on a new park in the South San Fernando area of the City. It is to be named Robert R. "Bud" Ovrom Park for the City's former and long-time City Manager, and is expected to be completed in Fall 2008. The park will serve an area of the City that had been under served by recreation facilities.

### *Infrastructure Investment Plan*

The Infrastructure Subcommittee continued to meet during FY 2007-08 and provided direction for infrastructure prioritization. The subcommittee approved the FY 2008-09 infrastructure plan prior to its being reviewed by the City Council.

An overview of the developed infrastructure plan along with funding recommendations was provided to the City Council as part of the budget study sessions. In addition to those projects that were already identified in the proposed capital improvement plan, the Council agreed to fund some additional infrastructure projects for FY 2008-09. This included appropriations for roof repairs to municipal buildings, heating/cooling system repairs at the Police/Fire Headquarters, resurfacing gym floors, supplemental sidewalk funding, traffic equipment maintenance, park improvements and street, alley and concrete improvements. Investment in the City's infrastructure continues to be a high priority. Along with this priority is the City's continued effort to invest in capital projects that result in reduced operations and maintenance costs, that leverage projects with non-general funds and/or non-City funds, and to utilize the most restrictive funds prior to less restrictive funds on projects, where feasible.

### **CITY COUNCIL GOAL SETTING – STRATEGIC PLANNING**

On May 3, 2008, the City Council conducted its annual goal setting session to prioritize their top community issues for the upcoming year. The following lists some of the high level issues identified by the Council for the upcoming year.

- Sustainability – Work to ensure that the City's actions do not negatively impact the sustainability of our environment, but provide for the continued improvement of it.
- Financial Planning – Work to diversify the City's revenue base and provide for its growth such that the City may fund at optimum levels its safety services, its infrastructure and its preparedness in case of a disaster.
- Central Library – Work to identify adequate funding and to develop a plan for the replacement of the City's aging central library.
- Part 161 and Other Airport Issues – Work to minimize the environmental, especially noise, impacts of the Bob Hope Airport, utilizing the Part 161 process and other opportunities to reduce noise impacts of airport on the neighboring residents.
- Traffic, Transportation & Parking – Work to address traffic congestion and poor signal timing, the availability of effective, convenient alternatives to driving alone, and adequate, convenient parking to allow our commercial areas to prosper.
- Year-round Aquatics (short-term and long-term) – Provide funding for a trial extension of aquatics offerings, evaluate the trial extension and identify opportunities for addressing year-round aquatics needs on a permanent basis.

These goals become central to the efforts of City staff in all activities that of the City. Staff's efforts to carry out Council policy are daily, general efforts. In addition, there are specific efforts to address these goals in various ways. Sustainability is being addressed through the construction of the LEED certified Community Services Building, through various initiatives to minimize waste stream, enhance reuse and recycled materials, minimize use of products that are more harmful to the environment, and promote alternatives to single passenger commutes to work. In FY 2007-08 the City Council

appropriated \$300,000 to be used for special efforts or as start-up funding for programs that would support and promote sustainability, staff is identifying the most effective uses these funds. Financial planning continues to be addressed by staff and especially through the comprehensive study of the City's revenues. This planning to date has effectively allowed for the restoration of 6 police officer positions and 6 firefighter positions in this and the prior two budgets, in addition to allowing for significant investments in improving the City's infrastructure. The Central Library is being addressed through the civic center master plan update and the City Council's reserving \$500,000 in this budget for future construction of the Library (to be added to the \$1 million previously set aside). The City is working with its representatives in the Legislature to promote a Library bond measure for a future statewide ballot, to help fund the Library. Part 161 and other airport issues continue to be addressed through the City Council's and staff's efforts and funding for these programs. Traffic, transportation and parking received significant additional funding this year with the intent to positively impact these areas. Finally, the City Council provided additional funds of \$53,112 to the aquatics program for the purpose of extending the season this year as a trial to determine the level of participation in an extended season, and staff is researching alternatives for addressing this on a long-term basis. To this end, the Parks, Recreation and Community Services Department is focused on outreach to the community to determine the aquatics needs and has brought a consultant on board to prepare designs for a year round aquatics facility.

This budget reflects initial appropriations to address these issues. In addition, Staff will be working over the next year to take other appropriate action(s) to address each of these issues. These major issues help drive the City's annual Work Program which is published as a separate document each fiscal year. The FY 2008-09 Work Program includes over 300 goals and objectives, including several capital improvement projects. The elements of the Work Plan are above and beyond the core services to the community that the City provides and part of our continuous improvement efforts. The Work Program is available for review on the City's website. Included with the Annual Work Program and the Budget Document are the departmental Performance Measures. Performance Measures are used by the City to assess how efficiently and effectively programs and activities are provided and determine whether organizational goals are being met. In keeping with the practice of recent years, the adopted FY 2008-09 budget closely links the operating and capital expenditure plans with priorities established by the City Council.

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#### **FY 2008-09 BUDGET MEETS THE NEEDS OF THE BURBANK COMMUNITY**

I would like to thank all of those responsible for the successful completion of this year's budget. The adopted budget represents a tremendous amount of work by Department Managers and key members of their staff along with the City's budget staff. I would also like to thank the City Council for their leadership as policymakers throughout this year's budget process. I am proud and confident that this year's FY 2008-09 budget meets the needs of the community.

Although it is likely that Burbank will still face future budget hurdles, the City has been consistently recognized for its judicious management of financial resources to support

the wide array of services and programs provided. Professor Warren Bennis once said, "Leaders keep their eyes on the horizon, not just on the bottom line." The City Council and City staff have done a great job of minding both of these and have managed to place the City in an enviable fiscal position in this time of economic uncertainty. Our dedicated workforce, coupled with a diverse and growing revenue base, has allowed the City of Burbank to provide quality municipal programs and services to our residents. These are factors that continue to make Burbank a desirable location for both residents and businesses.

City staff will continue to be diligent in carrying out the City Council's objectives through this budget and to review City finances in order to assist the Council in making decisions that will ensure the fiscal viability of the City. In the meantime, I look forward to working with you on implementing all the goals set forth in this budget.

As this is my last budget as City Manager, I wish to thank the City Council, staff and the community for the opportunity to serve this great City and to help make Burbank a better place for all.

Respectfully submitted,



Mary Alvord  
City Manager